HENNIGAN DORMAN LLP

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Plaintiff-Counterdefendant Medsquire, LLC. ("Plaintiff" or "Medsquire"), by and through its attorneys, replies herein to the numbered paragraphs of the Counterclaims of Defendants-Counterclaimant eClinicalWorks, LLC ("eClinicalWorks"). Unless expressly admitted, all responses of Medsquire to the Counterclaims shall be deemed denied.

NATURE OF THE ACTION

Medsquire admits that eClinicalWorks purports to seek a declaration by 1. this Court that claims of United States Patent No. 5,682,526 are invalid and/or not infringed by eClinicalWorks. Medsquire denies any and all remaining allegations contained in Paragraph 1 of the Counterclaims.

JURISDICTION AND VENUE

The allegations in Paragraph 2 of the Counterclaims state conclusions of 2. law to which no response is required. Insofar as an answer may be required, Medsquire admits that eClinicalWorks purports to assert an action for declaratory judgment. Medsquire further admits that venue is proper as to it. Medsquire denies any and all remaining allegations and/or legal conclusions contained in Paragraph 2 of the Counterclaims.

THE PARTIES

- On information and belief, Medsquire admits the facts stated in 3. Paragraph 3 of the Counterclaims.
 - 4. Medsquire admits the facts stated in Paragraph 4 of the Counterclaims.
 - 5. Medsquire admits the facts stated in Paragraph 5 of the Counterclaims.
 - 6. Medsquire admits the facts stated in Paragraph 6 of the Counterclaims.
 - 7. Medsquire admits the facts stated in Paragraph 7 of the Counterclaims.
- 8. The allegations of Paragraph 8 of the Counterclaims state a conclusion of law to which no response is required. Insofar as an answer may be required, Medsquire admits that there is an actual, immediate and justiciable controversy between eClinicalWorks and Medsquire. Medsquire denies any and all remaining

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anoganons an	iid/ OI IUSui	Conclusions	contained in	I diagraph	o or the	Counterclaims

9. Medsquire denies the facts stated in Paragraph 9 of the Counterclaims.

FIRST COUNTERCLAIM FOR RELIEF

Declaratory Judgment of Invalidity

and Non-Infringement of U.S. Patent No. 5,682,526

(28 U.S.C. §§ 2201 and 2202)

- Medsquire repeats, realleges and incorporates by reference Paragraphs 1-10. 9 of its Reply as if fully set forth herein.
- 11. Medsquire denies the facts stated in Paragraph 11 of the Counterclaims, including, without limitation, the facts stated in each subparagraph (a)-(k).
 - 12. Medsquire denies the facts stated in Paragraph 12 of the Counterclaims.
 - 13. Medsquire denies the facts stated in Paragraph 13 of the Counterclaims.
- Medsquire denies that eClinicalWorks is entitled to the relief prayed for, 14. or for any relief on its Counterclaims whatsoever.

DEMAND FOR JURY TRIAL

15. Medsquire denies that eClinicalWorks is entitled to a jury trial on its declaratory relief Counterclaims.

AFFIRMATIVE DEFENSES AFFIRMATIVE DEFENSES

Medsquire further asserts the following affirmative defendants upon information and belief. In asserting these defenses, Medsquire does not assume the burden of proof for any issue with respect to which applicable law places the burden of proof upon eClinicalWorks.

FIRST AFFIRMATIVE DEFENSE:

Estoppel

eClinicalWorks's Counterclaims are barred, in whole or in party, by the 1. doctrine of estoppel.

LOS ANGELES, CALIFORNIA

1	SECOND AFFIRMATIVE DEFENSE:							
2	<u>Waiver</u>							
3	2.	eClinicalWorks's	Counterclaims are barred, in whole or in part, by the					
4	doctrine of	waiver.						
5		THIRE	<u> AFFIRMATIVE DEFENSE:</u>					
6			<u>Unclean Hands</u>					
7	3.	eClinicalWorks's	Counterclaims are barred, in whole or in part, by the					
8	doctrine of	unclean hands.						
9		FOURT	H AFFIRMATIVE DEFENSE:					
10			<u>Aqcuiescence</u>					
11	4.	eClinicalWorks's	Counterclaims are barred, in whole or in part, by the					
12	doctrine of	acquiescence.						
13		<u>FIFTH</u>	I AFFIRMATIVE DEFENSE:					
14]	Failure to State a Claim					
15	5.	eClinicalWorks fa	ils to state a claim upon which relief can be granted.					
16			RESERVATIONS					
17	Medsquire reserves the right to amend this Reply, including the right to add							
18	affirmative	defenses, countercl	aims, and third-party claims if and when appropriate.					
19								
20	DATED:	June 30, 2011	HENNIGAN DORMAN LLP					
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22			By/s/Lawrence M. Hadley					
23			Lawrence M. Hadley					
24			Attorneys for Plaintiff and Counterdefendant, MEDSQUIRE LLC					
25			Counterderendant, MEDSQUIKE LLC					
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